



U.S. Department of Justice  
United States Attorney  
*Eastern District of Pennsylvania*

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For Immediate Release

March 17, 2009

**WEST CHESTER MAN PLEADS GUILTY TO DEFRAUDING  
PENNSYLVANIA SCHOOL DISTRICTS**

ALLENTOWN - Robert Bradbury, 62, of West Chester, pleaded guilty today one count of securities fraud for defrauding four Pennsylvania school districts by selling them high-risk securities. Those securities - bond anticipation notes for the Whitetail golf course project, a speculative golf course project located in Franklin County, Pennsylvania - were inappropriate investments for the districts notes. Bradbury concealed from the school districts the true nature of and risks associated with the investments. The four school districts - Boyertown, located in Berks County, Pennsylvania; Red Lion, located in York County, Pennsylvania; Perkiomen Valley, located in Montgomery County, Pennsylvania; and North Penn, located in Montgomery County, Pennsylvania - collectively lost approximately \$10.5 million as a result of the fraud.

Bradbury was the chairman, chief operating officer, and a principal shareholder of Dolphin & Bradbury, Inc., ("D&B"), located at 1617 JFK Boulevard in Philadelphia, Pennsylvania. Bradbury, through D&B, specialized in underwriting municipal bonds and selling them to investors. Bradbury also provided investment banking services and investment advice to municipalities and school districts.

From at least 1998 through September 2004, Bradbury acted as an underwriter for Boyertown, Red Lion, Perkiomen Valley and North Penn school districts. Bradbury invested proceeds of bond issues for capital projects. The school districts authorized Bradbury to make all investment decisions, and relied on him and trusted him to invest the funds in safe and suitable investments in accordance with Pennsylvania law. In most instances, the school districts learned of the investment after the fact, when they received a confirmation generated and sent by a third-party clearing house used by D&B.

School district investments are limited under Pennsylvania law, and specifically by the School Code, to certain conservative categories of investments. School districts may only own municipal securities of this nature if they are backed by the full faith and credit, that is, the taxing authority, of the state, or by a political subdivision or agency.

Bradbury faces a maximum possible sentence of five years in prison and a \$250,000 fine when sentenced on July 13, 2009.

This case was investigated by the Federal Bureau of Investigation, and has been assigned to Assistant United States Attorney Bernadette McKeon. The U.S. Attorney's office also acknowledges assistance from the SEC.

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